



City of Santa Barbara
Airport Department

DATE: March 16, 2011
TO: Airport Commission
FROM: Karen Ramsdell, Airport Director
SUBJECT: Lease Agreement – Pinoli's Refrigeration Company, Inc.

RECOMMENDATION:

That Commission approve and authorize the Airport Director to execute a term Lease Agreement with Pinoli's Refrigeration Company, Inc., a California Corporation, for 1,744 square feet of office and storage space in Building 304, at 53 Gerald Cass Place, at the Santa Barbara Airport, commencing April 1, 2011 and ending July 31, 2013, for a monthly rental of \$1.891.

DISCUSSION:

The subject Premises is located south of Hollister Avenue in an Airport Facilities (AF) zone.

Pinoli's Refrigeration Company, Inc. has been an Airport tenant in good standing since April 1, 2004. Pinoli's is a local heating, air-conditioning, and refrigeration contractor currently leasing 842 square feet of office and 902 square feet of storage space for materials and equipment. The use conforms to existing zoning.

The proposed monthly building rental is based on a rate of \$1.443 per square foot for office space, and \$.75 for storage and is comparable to office/storage space on the Airport for similar use and in similar condition. The current office rate ranges from \$1.35 to \$1.85. Storage rates range from \$.68 to \$1.00. The new rental represents a 1.5% increase over the previous year.

Lessee will also pay monthly utilities of \$33.00 for water, \$18 for sewer service, and \$73 for electricity. Utilities in Building 304 are used in common with other tenants. Each tenant pays a prorata share based upon their use and square footage.

The proposed Lease Agreement has been negotiated based upon the criteria set forth in Resolution 93-127, and has been reviewed and determined to be exempt from environmental review.

PREPARED BY: Business & Property Division

ATTACHMENT: Map